

**Grantee: Riverside, CA**

**Grant: B-08-MN-06-0519**

**October 1, 2009 thru December 31, 2009 Performance Report**

**Grant Number:**

B-08-MN-06-0519

**Obligation Date:**

03/06/2009

**Grantee Name:**

Riverside, CA

**Award Date:**

03/03/2009

**Grant Amount:**

\$6,581,916.00

**Contract End Date:**

03/03/2013

**Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**QPR Contact:**

Brendan Rafferty

**Disasters:****Declaration Number**

NSP

**Narratives****Areas of Greatest Need:****Distribution and and Uses of Funds:****Definitions and Descriptions:****Low Income Targeting:****Acquisition and Relocation:****Public Comment:****Overall****This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$6,581,916.00

**Total CDBG Program Funds Budgeted**

N/A

\$6,581,916.00

**Program Funds Drawdown**

\$1,729,472.96

\$2,996,165.85

**Program Funds Obligated**

\$2,162,779.90

\$4,041,096.66

**Program Funds Expended**

\$0.00

\$2,208,240.55

Match Contributed	\$0.00	\$0.00
Program Income Received	\$114,393.71	\$114,393.71
Program Income Drawdown	\$28,656.40	\$28,656.40

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$987,287.40	\$0.00
Limit on Admin/Planning	\$658,191.60	\$186,956.33
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,645,479.00	\$1,900,000.00

## Overall Progress Narrative:

The City of Riverside is on track to fulfill its commitment to combating the foreclosure crisis. Since January 2009, the City has reviewed nearly 700 properties. Referrals for these properties have come primarily from the National Community Stabilization Trust. However, the City made contact with California Housing Finance Agency (Cal FHA) and Premiere Asset Services (PAS) regarding the direct sale of vacant, foreclosed homes to the City of Riverside. The City of Riverside will work with Cal FHAs two Master Brokers to facilitate the sale of properties. Cal FHA is expected to provide a list of several hundred homes that may potentially lead to acquisition of several properties that meet NSP guidelines. PAS represents assets of several financial institutions. They manage and market their properties. The City of Riverside will also work with PAS to facilitate the purchase of properties that qualify under NSP guidelines.

The City has successfully acquired 47 properties through the combined use of NSP and Redevelopment Housing Funds. One of these properties successfully completed rehab and was sold to an income-qualified first time homebuyer. Two are available for sale. The remaining are in various stages of inspection and rehabilitation.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition and Rehab	\$1,681,843.63	\$0.00	\$2,778,022.17
3, Acquisition and Demolition	\$3,750.00	\$0.00	\$42,626.35
4, Administration	\$43,879.33	\$0.00	\$175,517.33
5, Homeownership Assistance	\$0.00	\$6,581,916.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

# Activities

<b>Grantee Activity Number:</b>	<b>NSP-1</b>
<b>Activity Title:</b>	<b>Acquisition, Rehab and Resale to Qualified Buyers</b>

**Activity Category:**

Acquisition - general

**Activity Status:**

Under Way

**Project Number:**

1

**Project Title:**

Acquisition and Rehab

**Projected Start Date:**

01/01/2009

**Projected End Date:**

07/20/2013

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:****National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Riverside

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$3,653,708.81
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$3,653,708.81
<b>Program Funds Drawdown</b>	\$1,393,412.01	\$2,107,792.07
<b>Program Funds Obligated</b>	\$1,484,226.99	\$2,322,553.67
<b>Program Funds Expended</b>	\$0.00	\$1,408,221.81
City of Riverside	\$0.00	\$1,408,221.81
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$102,954.71	\$102,954.71
<b>Program Income Drawdown</b>	\$17,217.40	\$17,217.40

**Activity Description:**

The City of Riverside will acquire and rehabilitate foreclosed, abandoned single family units and sell them to income-eligible first time homebuyers (individuals and families that have not owned real property in the previous three years). This will be done through a combination of leveraged and partnered purchase and direct purchases. The final sales price will be no greater than the initial acquisition and rehabilitation costs. All acquisitions will be for at least 15% below an appraised value determined no more than 60 days prior to the date of the offer to purchase. Income-eligible first time homebuyers shall not be earning greater than 120% AMI as defined by HUD. The table at Exhibit B shows these income limits as adjusted for family size. The prospective buyers will be required to attend both pre-acquisition HUD-certified homebuyer counseling, and post-acquisition homebuyer counseling. The principal, interest, taxes, insurance and (if applicable) homeowner association fees shall not exceed 35% of the family's adjusted gross income. A minimum 3% down payment will be required of the home-buying family. Should a gap exist between the mortgage based on the sales price and 35% of the family's income, the gap may be filled with NSP funds on a pro-rated equity share basis. The City's loan would be a junior lien; the pro-rata equity share would be based on the percent the subsidy is calculated on the after-rehab sales price. Acquisitions and rehabilitations will be both leveraged and 100% financed, depending on specific circumstances. Acquisitions will be done in small batches, grouped either geographically or by lender, depending on the negotiations for purchase. This will be Riverside's primary use of NSP funds.

**Location Description:**

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) are shown on Exhibit A (map) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

**Activity Progress Narrative:**

Residential properties acquired under this activity will be rehabilitated and sold to income-eligible first-time homebuyers. The rehabilitation of each property will encompass incorporating energy efficient and sustainable design improvements to improve the overall affordability of each home. All homes will be sold with a 55 year affordability covenant requiring resale of the homes

to other income-qualified households. Within the reporting period of October 1 - December 31, the City reviewed 97 residential properties, of which approximately 75% of those properties were not eligible under NSP. The remaining 24 properties represented actual candidates for purchase with NSP funding. The City successfully closed escrow on 8 of these homes. Of the 8 properties purchased, one (1) property was sold to a low income household. The address for this property is 1710 Sonic Ct., Riverside, CA 92501

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	1/80
# of Parcels acquired voluntarily	8	23/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	1/80
# of Singlefamily Units	1	1/80

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	1	0	1	1/0	0/80	1/80	100.00
# Owner Households	1	0	1	1/0	0/80	1/80	100.00

## Activity Locations

Address	City	State	Zip
1710 Sonic Ct.	Riverside	NA	92501

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>NSP-2a</b>
<b>Activity Title:</b>	<b>Acquisition, Rehab and Lease to Own</b>

**Activity Category:**

Acquisition - general

**Project Number:**

1

**Projected Start Date:**

01/01/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Acquisition and Rehab

**Projected End Date:**

07/20/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

City of Riverside

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$0.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/rehabilitation/rental, specifically for lease-to-own purposes. In those instances where applicant households have appropriate income but less than satisfactory credit, this will provide a mechanism that allows them time to repair their credit while living the unit that will become their own home. The lease-to-own term will not exceed 36 months; the household will be paying 35% of their monthly income for housing costs, of which 30% will include the affordable rent less utility allowances, and 5% will go into a holding fund which will accumulate toward the household's downpayment. At the point that the household's creditworthiness would allow for a lender to provide the first trust deed, and the amount saved toward the downpayment has met or exceeded 3% of the purchase price, the unit will be sold to the household at the total amount of investment in the unit by the City. Should there be an affordability gap, some portion of the City's original investment of acquisition and rehabilitation funds will remain in the property as a "silent second" (no monthly payments due, and a proportionate equity-share mechanism in lieu of interest) to be repaid upon change in title or status as owner-occupied housing. The property will have an affordability covenant recorded against it, for a period of 55 years. As with other assisted single family units through Riverside's rehabilitation programs and down-payment assistance programs, continued affordability is ensured through an annual monitoring process. Initial acquisition by the City will average at least 15% below a current appraised value. No interest will be charged, instead a proportionate equity-share mechanism will be used. The sales price will be no greater than the total investment by the City (including acquisition, rehabilitation and associated program delivery costs). For example, if a completed unit is sold for \$200,000, and \$25,000 remains as a "silent second", this amount represents 12.5% of the original purchase price. When the unit is sold in future years, the \$25,000 principal and 12.5% of any equity (increase in value less capital improvements and costs of sale) would be recaptured. For example if the unit is sold in the future for \$400,000, and capital improvements to the unit and costs of sale total \$50,000, then the amount due to the City would be \$43,750 (original principal of \$25,000, plus 12.5% of the equity which is calculated at \$400,000 less household's acquisition price of \$200,000, less \$50,000 in capital improvements and costs of sale: \$400,000 - \$200,000 = \$200,000; \$200,000 - \$50,000 = \$150,000; \$150,000 x 12.5% = \$18,750; \$18,750 + \$25,000 = \$43,750).

**Location Description:**

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf>. The high priority locations are scattered

throughout the City.

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/0
# of Parcels acquired voluntarily	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/0

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/0	0/0	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>NSP-2c</b>
<b>Activity Title:</b>	<b>Acquisition, Rehab, Rent to Households &lt; 50% AMI</b>

**Activity Category:**

Acquisition - general

**Project Number:**

1

**Projected Start Date:**

01/01/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Acquisition and Rehab

**Projected End Date:**

07/20/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

City of Riverside

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,900,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,900,000.00
<b>Program Funds Drawdown</b>	\$288,431.62	\$670,230.10
<b>Program Funds Obligated</b>	\$594,160.91	\$975,959.39
<b>Program Funds Expended</b>	\$0.00	\$668,380.74
City of Riverside	\$0.00	\$668,380.74
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/rehabilitation/rental, specifically for households earning less than 50% AMI. The City will acquire foreclosed multi-family structures, and/or provide funding for non-profit special needs housing providers for acquisition/rehab to expand affordable housing opportunities in this area.

**Location Description:**

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

**Activity Progress Narrative:**

Properties acquired and rehabilitated under this activity will provide affordable rental opportunities for households earning no more than 50% of the area median income. The City acquired one (1) triplex property and two (2) duplexes. Title will be held long term by the Housing Authority of the City of Riverside to ensure continued affordability. Rents will not exceed 30% of the households gross income.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	0/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/17
# of Singlefamily Units	0	0/17

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/17	0/0	0/17	0
# Renter Households	0	0	0	0/17	0/0	0/17	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>NSP-3</b>
<b>Activity Title:</b>	<b>Demolition of Acquired Properties</b>

**Activity Category:**

Clearance and Demolition

**Project Number:**

3

**Projected Start Date:**

01/01/2013

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition and Demolition

**Projected End Date:**

07/20/2013

**Completed Activity Actual End Date:**
**Responsible Organization:**

City of Riverside

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$370,015.59
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$370,015.59
<b>Program Funds Drawdown</b>	\$3,750.00	\$42,626.35
<b>Program Funds Obligated</b>	\$84,392.00	\$84,392.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Riverside	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/demolition/redevelopment of foreclosed, abandoned single family properties that would require more funds to rehabilitate than to demolish and rebuild. After consultation with the City's Building Official, a determination would be made to demolish the structure instead of attempting to rehabilitate it. The property would then be made available to non-profit housing providers to plan the redevelopment of the property as soon as feasible. Redevelopment may include sale of the property at current fair market value, or below current fair market value, or partnership with the non-profit agency. Other possible uses under this activity type might include vacant, foreclosed properties that allow for the expansion or improvement of a public facility.

**Location Description:**

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AML. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

**Activity Progress Narrative:**

One (1) property has been designated for demolition. This property was originally purchased as a potential NSP-1 property. After final inspection, it has been determined that a more cost effective option is to demolish the property and utilize the site for a future housing/redevelopment opportunity.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	0/3

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/3
# of Singlefamily Units	0	0/3

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/3	0/3	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>NSP-5</b>
<b>Activity Title:</b>	<b>Administration</b>

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

4

**Project Title:**

Administration

**Projected Start Date:**

01/01/2009

**Projected End Date:**

07/20/2013

**Benefit Type:**

N/A

**Completed Activity Actual End Date:****National Objective:**

N/A

**Responsible Organization:**

City of Riverside

**Overall****Oct 1 thru Dec 31, 2009****To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$658,191.60
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$658,191.60
<b>Program Funds Drawdown</b>	\$43,879.33	\$175,517.33
<b>Program Funds Obligated</b>	\$0.00	\$658,191.60
<b>Program Funds Expended</b>	\$0.00	\$131,638.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$11,439.00	\$11,439.00
<b>Program Income Drawdown</b>	\$11,439.00	\$11,439.00

**Activity Description:**

Administration of the NSP Grant.

**Location Description:**

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

**Activity Progress Narrative:**

Administrative costs will not exceed 10% of the grant and 10% of any program income generated.

**Accomplishments Performance Measures**

No Accomplishments Performance Measures found.

**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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